



The President's Daily Brief

21 June 1973

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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

In Yugoslavia, the party is tightening its control over the military and security services in order to head off problems during the post-Tito period.
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As the September 1 deadline for the Egypt-Libya merger draws closer, differences between Cairo and Tripoli are sharpening. (Page 2)

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Italian prime minister - designate Mariano Rumor faces hard bargaining as he tries to bring the Socialist Party back into the government after a year in the opposition. (Page 4)

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The shooting that disrupted Juan Peron's return to Argentina yesterday is likely to accentuate the strains between the former dictator and President Campora. (Page 6)

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YUGOSLAVIA

The party is tightening its control over the military, apparently to head off problems during the post-Tito era. Since the first of the year, party journals have warned the generals to stay out of politics

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Military influence has been strong in recent years, largely because of its exceptional unity, and on occasion Tito has had to depend on the military for decisive support against troublesome party factions. Now that Tito's drive for party unity has had some success, the party evidently feels strong enough to move to prevent the military from becoming a rival for political power.

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The party is also moving to gain control of the security apparatus.

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LIBYA-EGYPT

Differences between Cairo and Tripoli are sharpening as September 1, the deadline for union, draws closer. The Egyptians are worried about and disdainful of Qadhafi's "cultural revolution," and their references to him and his country are taking on an obliquely critical tone. In an interview in Tripoli last week, Sadat wished Qadhafi's "experiment" success in Libya, but noted that only time will tell whether it is suitable for other Arabs. He made little reference to union.

Cairo press treatment also has become more caustic. Yesterday an influential columnist criticized "bombshell measures" that have a temporary popular impact, but do not take into account the "greater realities"--the most severe public chiding Qadhafi has received from Cairo.

Sadat and Qadhafi have made little progress in working out the details of the proposed union. According to one projected timetable, the formal proclamation will be followed by the appointment of a nominal cabinet and the ratification of a new constitution.

Qadhafi's position in the new state presents the most immediate problem.

Qadhafi is slated to assume the vice-presidency, but he apparently is reluctant to accept a position which might constrain his freedom of action. Although Qadhafi has frequently stated that Sadat must accept the presidency, he reportedly envisages the merger as a means of eventually dominating Sadat.

The Libyan leader will probably angle for a role that will give him direct access to the military and freedom to direct his cultural revolution. He may believe he can establish control over a mass political movement throughout the merged state and thereby secure strong leverage over Sadat.

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VIETNAM

Hanoi continues to move large numbers of civilians, together with their belongings and livestock, into the DMZ and the Communist-controlled portions of South Vietnam's Quang Tri Province.

A recent intercept indicates that as of May 28 some 19,500 civilians had been transferred to these areas and that transportation had been arranged to move an additional 5,500 south by June 10--the target date for completing the "resettlement." Many of those moved into Quang Tri were identified as families returning to homes that they had fled during the war.

The Communists have recently established a provincial government in Quang Tri, and North Vietnamese engineers have been building new storage areas, roads, and housing throughout the part of the province they control. Hanoi may hope that by returning politically reliable southerners they can use the area as both a showplace and as a means of attracting some of the refugees from Quang Tri who now live in government-controlled territory in northern South Vietnam.

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ITALY

Hard bargaining on the terms for a new government will begin now that President Leone has named Mariano Rumor as prime minister - designate. Rumor, a moderate Christian Democrat, was interior minister in Andreotti's government and had been prime minister in center-left governments in 1968 and 1970.

Rumor will face the difficult task of trying to bring the Socialist Party back into the government after a year of opposition. In approaching the negotiations, his party and other potential coalition members will seek assurances that the Socialists will not gravitate toward the Communists. In addition, Rumor apparently intends to insist that his new government be based on advance agreement on specific economic and social reforms.

Should Rumor succeed in bringing the Socialists into the coalition, the new government would be composed of the same parties that governed the country for the nine years preceding 1972. Such a lineup would give a more comfortable parliamentary majority, in contrast to the paper-thin margin which hampered Andreotti's centrist coalition.

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EC-US

The EC foreign ministers are planning to discuss a response to the US initiative on Atlantic relations at the EC Council session on July 23. The French are reluctantly cooperating in the preparations. Some member countries oppose focusing on substance at the outset, however. Belgian Foreign Office Political Director Davignon, for example, believes that such a tack would only lead to a confrontation with the French, and that Paris must be brought along step-by-step. This strategy is threatened, Davignon believes, by the US tendency to "reward" France for its obstructionism by making bilateral approaches. Davignon therefore hopes that Dr. Kissinger will delay a trip to Europe until after the July meeting.

Last week's NATO ministerial also endorsed a study of Atlantic relations, although most EC members were reluctant to imply that NATO objectives or strategies should be changed. Non-EC members, however, pushed for such a study out of concern that "bilateralism" between the US and the EC--as the Canadians put it--could erode the NATO consultative process.

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ARGENTINA

The shooting that disrupted Juan Peron's homecoming yesterday, taking the lives of at least 20 persons and injuring several hundred more, is likely to accentuate the strains between the former dictator and President Campora. Peron had already been upset with Campora's inept handling of the terrorist problem and internal Peronist divisions.

[redacted] Peron [redacted] decided that [redacted] he would force Campora to resign and have himself appointed president by the Peronist-dominated congress. The shooting may provide him the opportunity to sound out top military officers and political leaders before making any move.

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Peron has promised to clarify his plans in an address to the nation tonight. His age and desire to spend much of his time on foreign affairs may lead Peron to decide against taking the presidency. In any event, he will play the decisive role in the government. In the coming weeks, Peron will seek to stabilize Argentina's political situation, which now borders on anarchy.

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CHILE

Communist leaders have joined the Socialists to force on President Allende a harder line against the opposition. Last weekend, the two joined to give Allende an unprecedented public rebuke for meeting with striking copper workers, and thereby stalled his efforts to negotiate an end to the costly walk-out.

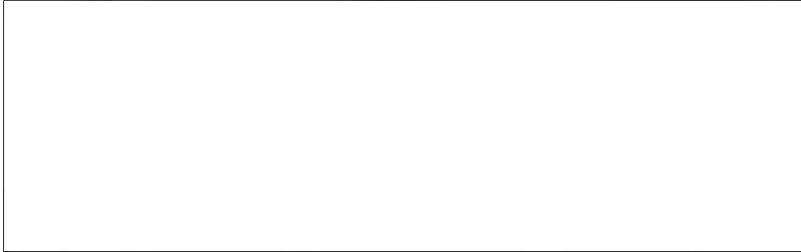
The rare agreement between the rival Communists and Socialists reduces Allende's room to maneuver. Particularly noteworthy is the marked shift by the Communists--the most pragmatic and cautious members of the Marxist coalition--away from their usual support for Allende's strategy of compromise. Their new hard line includes support for the use of violence.

Meanwhile, Allende continues to press for inclusion of the armed services and national police in his cabinet, although he is having trouble finding terms acceptable to both military and coalition leaders. The Socialists, perhaps reassured by the effectiveness of the army and police crackdown on the opposition, may be softening their opposition to these efforts, however.

The security forces themselves continue to earn their pay handling almost constant pro- and anti-government demonstrations. Leaders of Allende's coalition have scheduled for today a number of new demonstrations throughout Chile to upstage recent anti-government rallies and to show military leaders that the government retains widespread public support.

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